

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FTX TRADING LTD., *et al.*,¹

Debtors.

Chapter 11

Case No. 22-11068 (JTD)

(Jointly Administered)

Hearing Date: Dec. 12, 2024 at 1:00 P.M. (ET)

Objection Date: At or before the hearing

Ref. No. 28588

SEALING MOTION OF THE DEBTORS

FTX Trading Ltd. and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”) hereby submit this motion (the “Sealing Motion”) for entry of an order, substantially in the form attached hereto as Exhibit A (the “Order”), pursuant to section 107(b) of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), Rule 9018 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 9018-1(b) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), authorizing the Debtors to file under seal one exhibit to the *Declaration of Benjamin S. Beller in Support of Debtors’ Objection to the Motion of the Joint Liquidators of Three Arrows Capital, Ltd. (in Liquidation) for Leave to Amend Proof of Claim* [D.I. 28588] (the “Beller Declaration”), filed in support of the *Debtors’ Objection to Motion of the Joint Liquidators of Three Arrows Capital, Ltd. (in Liquidation) for Leave to Amend Proof of Claim* [D.I. 28587] (the “Objection”), filed on December 5, 2024. In support of the Sealing

¹ The last four digits of FTX Trading Ltd.’s and Alameda Research LLC’s tax identification number are 3288 and 4063 respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.ra.kroll.com/FTX>. The principal place of business of Debtor Emergent Fidelity Technologies Ltd is Unit 3B, Bryson’s Commercial Complex, Friars Hill Road, St. John’s, Antigua and Barbuda.

Motion, the Debtors respectfully state as follows:

Background

1. On November 11 and November 14, 2022, the Debtors filed with the United States Bankruptcy Court for the District of Delaware voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Joint administration of the Debtors' cases (the "Chapter 11 Cases") was authorized by the Court by entry of an order on November 22, 2022 [D.I. 128]. On December 15, 2022, the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee") appointed an Official Committee of Unsecured Creditors (the "Committee") pursuant to section 1102 of the Bankruptcy Code [D.I. 231].

2. Additional factual background relating to the Debtors' businesses and the commencement of these Chapter 11 Cases is set forth in the *Declaration of John J. Ray III in Support of Chapter 11 Petitions and First Day Pleadings* [D.I. 24], the *Declaration of Edgar W. Mosley II in Support of Chapter 11 Petitions and First Day Pleadings* [D.I. 57], the *Supplemental Declaration of John J. Ray III in Support of First Day Pleadings* [D.I. 92] and the *Supplemental Declaration of Edgar W. Mosley II in Support of First Day Pleadings* [D.I. 93].

3. On November 6, 2024, Russell Crumpler and Christopher Farmer, as joint liquidators of Three Arrows Capital, Ltd. (in liquidation) (the "Joint Liquidators") filed the *Motion of the Joint Liquidators of Three Arrows Capital, Ltd. (in Liquidation) for Leave to Amend Proof of Claim* [D.I. 27755].

4. On December 5, 2024, the Debtors filed the Objection and, in support, the Beller Declaration and several exhibits attached thereto.

5. Certain of the exhibits attached to the Beller Declaration include documents, and/or information derived from documents, produced in discovery by the Joint Liquidators that were designated as “Confidential” by the Joint Liquidators under the Court’s March 8, 2023 *Order Approving Confidentiality Agreement and Stipulated Protective Order* [D.I. 832] (the “Protective Order”).

6. Pursuant to Section 8 of the Protective Order and Local Rule 9018-1(d)(iii), the Debtors notified the Joint Liquidators of the Objection and the forthcoming Sealing Motion to allow the Joint Liquidators to identify the extent to which they may want to assert any confidentiality interests in the documents filed as exhibits to the Beller Declaration. Counsel for the Debtors and the Joint Liquidators met and conferred on December 9, 2024 (the “Conference”). At the Conference, counsel for the Joint Liquidators identified one document that the Joint Liquidators seek to have sealed from public filings, specifically Exhibit J to the Beller Declaration (the “Confidential Exhibit”). The Debtors therefore file this Sealing Motion regarding the Confidential Exhibit that the Joint Liquidators identified as subject to sealing at the Conference.

Jurisdiction and Venue

7. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought herein are section 107(b) of the Bankruptcy Code, Bankruptcy Rule 9018, and Local Rule 9018-1. Pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final order or judgment by the Court in connection with this Motion to the extent it is later determined that the Court, absent consent of the parties, cannot enter final

orders or judgments consistent with Article III of the United States Constitution.

Relief Requested

8. By this Motion, the Debtors request entry of the Order, substantially in the form attached hereto as Exhibit A, authorizing the Debtors to file the Confidential Exhibit entirely under seal.

Basis for Relief

9. Bankruptcy Code section 107(b) provides “[o]n request of a party in interest, the bankruptcy court shall . . . protect an entity with respect to a trade secret or confidential research, development, or commercial information.” 11 U.S.C. § 107(b)(1).

10. Bankruptcy Code section 107(c) authorizes the issuance of orders that protect parties from the potential harm resulting from the disclosure of confidential information. Specifically, section 107(c) states that “[t]he bankruptcy court, for cause, may protect an individual, with respect to . . . information to the extent that the court finds that disclosure of such information would create undue risk of . . . unlawful injury to the individual or the individual’s property.” Similarly, Bankruptcy Rule 9018 and Local Rule 9018-1 authorize the filing under seal of documents containing confidential information.

11. The Court has authority under Bankruptcy Rule 9018 to “make any order which justice requires . . . to protect the estate or any entity in respect of a trade secret or other confidential research, development, or commercial information.” Fed. R. Bankr. P. 9018.

12. Local Rule 9018-1(d) further provides that “any entity seeking to file a document . . . under seal must file a motion requesting such relief,” including where, as here, the filed document “is known by the filer thereof to contain information that has been designated by another entity as confidential pursuant to a protective order.” Del. Bankr. L.R. 9018-1(d)(i), (iii).

13. The Joint Liquidators requested that the Confidential Exhibit be sealed in

its entirety. The Confidential Exhibit was produced by the Joint Liquidators in discovery and designated “Confidential” under the Protective Order. The Joint Liquidators represented to the Debtors that the Confidential Exhibit, when viewed as a compilation in its entirety, is “a trade secret or confidential research, development, or commercial information” within the meaning of Bankruptcy Code section 107(b)(1). The Joint Liquidators did not request that the references to the Confidential Exhibit included in the Opposition brief be redacted in any way.

14. The Debtors do not oppose the Joint Liquidators’ request to seal the Confidential Exhibit.

Certification Pursuant to Local Rule 9018-1(d)(iv)

15. The undersigned counsel hereby certifies that counsel to the Debtors have conferred in good faith with the Joint Liquidators’ counsel regarding the information that the Joint Liquidators seek to seal from public view in the Confidential Exhibit.

Notice

16. Notice of this Motion has been provided to: (a) the U.S. Trustee; (b) counsel to the Committee; (c) the Securities and Exchange Commission; (d) the Internal Revenue Service; (e) the United States Department of Justice; (f) the United States Attorney for the District of Delaware; (g) counsel for the Ad Hoc Committee; (h) to the extent not listed herein, those parties requesting notice pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure; and (i) counsel to the Joint Liquidators. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be provided.

Conclusion

For the foregoing reasons, the Debtors respectfully request that the Court enter the Order, substantially in the form attached hereto as Exhibit A, authorizing the Debtors to file the Confidential Exhibit under seal.

Dated: December 10, 2024
Wilmington, Delaware

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